

812 costs. However, such costs should not be charged solely to SVT Customers
813 and/or SVT Suppliers nor "hidden" as fees for participating in the Choices For
814 You Program.

816 IV.

817 CONCLUSION

818 Q. Do you have any concluding remarks?

819 A. North Shore' Program purports to offer a competitive option for a class of
820 customers that previously has been denied choice. However, without the
821 aforementioned tariff revisions, the competitive market would be hamstrung and
822 all but 75,000 residential customers will be denied even the possibility of
823 receiving the benefits that competitive suppliers can offer. Those 75,000
824 customers may not receive the benefits of customer choice due to all of the
825 aforementioned problems with North Shore' proposal.

826
827 Summary of Recommendations

828 Q. Please summarize your recommendations.

829 A. The Commission should make a number of pro-consumer, pro-competitive
830 revisions to the proposed tariffs to foster competition and remove significant
831 barriers to entry that otherwise would prevent suppliers from providing additional
832 benefits to customers. The New Power Company respectfully requests that the
833 Commission revise the proposed tariffs to:

- 834 (1) Allow suppliers to perform a single billing function for their customers
835 under the terms of a revised Rider SBO;

- 836 (2) Prevent unnecessary, misplaced, and unjustified fees from acting as
837 barriers to entry, by appropriately imposing the costs where they properly
838 belong, including, but not limited to the Aggregation Charge, Customer
839 Pool Activation Charge, and the Supplier Application Charge;
840 (3) Remove unnecessary restrictions upon supplier's flexibility to efficiently
841 utilize its own storage services;
842 (4) Eliminate the proposed enrollment limits and minimum stay requirements
843 and utilize an "open" enrollment process;
844 (5) If the minimum stay requirement is not eliminated, at a minimum, the
845 grace period should be extended to ninety (90) days;
846 (6) Impose a reasonable code of conduct, if any, upon suppliers;
847 (7) Revise the Imbalance provisions to provide suppliers with greater
848 flexibility and options; and
849 (8) Direct North Shore to develop a non-discriminatory customer education
850 program after conclusion of the proceeding.
851

852 Q. Does this conclude your testimony?

853 A. Yes.

A

Rider SBO

Supplier Bill Option Service

Applicable to Riders SVT and AGG

Availability

Service under this rider, pursuant to which SVT Suppliers shall issue bills to SVT Billing Customers that include the Company Charges, is available, on and after _____, 2002, to SVT Suppliers who meet the following criteria:

- 1) satisfies each of the qualifications set forth in Section B of this rider;
- 2) is an SVT Supplier under Rider AGG of this rate schedule; ~~and~~
- 3) provides the performance assurances set forth in Section G of this rider; ~~and,~~
- 4) ~~contracts with the Company.~~

Section A -- Definitions

As used in this rider, the terms below are defined as follows:

Companion Classification shall mean the service classification under which the SVT Customer takes service from the Company and such Companion Classification shall be Service Classification No. 1 or Service Classification No. 2.

Company Charges shall mean the charges, ~~including past due amounts,~~ due and owing the Company for regulated distribution services provided by the Company to the SVT Customer pursuant to the Small Volume Customer Transportation service. Company Charges shall begin accruing contemporaneously with the commencement of service under this rider.

EFT shall mean electronic funds transfer in immediately available funds.

Pool shall mean the group of SVT Customers that the SVT Supplier establishes under its Rider AGG contract with the Company.

SVT Billing Customer shall mean an SVT Customer receiving billing service from an SVT Supplier pursuant to this rider.

SVT Customer shall mean a customer of the Company and the SVT Supplier taking service pursuant to Rider SVT.

SVT Supplier shall mean a marketer or broker providing service to SVT Customers pursuant to Rider AGG.

Section B -- SVT Supplier Qualifications

Before commencing service hereunder, an SVT Supplier shall comply with the following prerequisites for service. Such SVT Supplier shall have, and demonstrate through the successful completion of the Company's 7-day testing program:

- 1) the ability to accept electronically, in an internet based format, the Company's billing information for each of the SVT Billing Customers, and electronically accept from and transmit to the Company on a timely basis Company billing information and Company payment transaction information on a per customer basis for each of the SVT Billing Customers;
- 2) the ability to accept from SVT Billing Customers and electronically transmit by EFT to the Company payments of Company Charges for the SVT Billing Customers; and
- 3) the ability to issue bills for each of the SVT Billing Customers consistent with the requirements of this rider.

Section C -- Company Obligations

The Company shall:

- 1) electronically submit over the internet the Company Charges and usage information to the SVT Supplier for each SVT Billing Customer no later than ~~three~~five (3~~5~~) Business Days after the Company Charges for such SVT Billing Customers are determined for the monthly billing period;
- 2) determine the Companion Classification charges, usage and other billing information submitted to the SVT Supplier taking service hereunder;
- 3) electronically accept from the SVT Supplier Company billing information and Company payment transaction information on a per customer basis for each SVT Billing Customer; and
- 4) accept from the SVT Supplier payments by EFT for the Company Charges received by the SVT Supplier from the SVT Billing Customers for the Company Charges.

Section D -- SVT Supplier Obligations

The SVT Supplier shall:

- 1) identify SVT Billing Customers pursuant to Section F of this rider;
- 2) issue bills to SVT Billing Customers that include the Company Charges that are provided to the SVT Supplier in a bill ready standardized electronic format that is internet based and mutually agreeable to both the Company and the SVT Supplier;
- 3) identify the Company with the Company's trade name ~~or logo~~ as the distribution services provider on each bill the SVT Supplier issues to the SVT Billing Customers;
- 4) list the Company Charges ~~and other information provided by the Company~~ in a bill ready format on each bill the SVT Supplier issues to the SVT Billing Customers in ~~the~~ format required by that complies with 83 Illinois Administrative Code Section 500.330 with the understanding that exact duplication of the Company's distribution services bill is not required;

- 5) provide a redacted copy to the Company of a bill that complies with Section D(4) each time the SVT Supplier's bill is revised, ~~but in no event less than annually on or before April 1;~~
- 6) electronically transmit to the Company payment transaction information regarding Company Charges for each of the SVT Billing Customer ~~the~~ within five (5) Business Days of the SVT Supplier's receipt of such payment;
- 7) remit payments by EFT due to the Company from each of the SVT Billing Customers ~~by the payment due date established pursuant to the Terms and Conditions of Service of this rate schedule and 83 Illinois Administrative Code Part 280;~~ upon receipt from the Customer. Upon reaching a mutually agreeable receivables agreement, the SVT Supplier shall ~~may~~ pay to the Company all Company Charges submitted pursuant to Section (C)(1) regardless of whether payments are actually received by the SVT Supplier from the SVT Billing Customers; for purposes of this Section D(7), the date of the Company's bill shall be three (3) days from the date on which the Company electronically submits billing and usage information to the SVT Supplier pursuant to Section C(1) of this rider. A charge from the Company for late payment shall be determined under the Late Payment Charge provision in the Terms and Conditions of Service of this rate schedule for untimely remittances to the Company; and
- 8) at the Company's option, include with its bill issued in accordance with this rider, any required bill inserts or required informational mailings that the Company makes pursuant to its obligations imposed by the Illinois Commerce Commission. In such an event, the Company shall reimburse the SVT Supplier for the full costs that the SVT Supplier incurs in providing and distributing such information; and shall make the information available to SVT Suppliers taking service hereunder in the Company's standard format at least sixty (60) days in advance of distribution to the SVT Billing Customer receiving service pursuant to this tariff.

Section E -- Company Logo, Trademarks and Service Marks

An SVT Supplier taking service under this rider is hereby licensed to reproduce on its bills to each SVT Billing Customer, without charge, the trade names, trademarks and service marks of the Company that are included in or with the billing materials submitted by the Company to the SVT Supplier for that customer. No SVT Supplier shall by reason of this license obtain any right, title, or interest in, or continuing right to use, any such trade name or mark. This license grants only the specific and limited rights expressly stated herein and the Company reserves all other rights. The Company may terminate this license upon reasonable and adequate notice to an SVT Supplier.

Section F -- Terms and Conditions of Service

An SVT Supplier may provide billing of the Company Charges for only those SVT Customers (a) for which the SVT Supplier is providing gas supply services; and (b) ~~who affirmatively elected to receive a bill including Company Charge issued by the SVT Supplier from among the~~

following three options that SVT Supplier must present to the SVT Customer: (i) Customer's decision to enroll with the SVT Supplier for gas supply service and agreement to the terms and conditions of such service shall signify the consent of the SVT Customer to become a bill from SVT Billing Customer under the Company including Company Charges and a bill from the SVT Supplier including the SVT Supplier's charges ("option (i)"); (ii) a bill from the SVT Supplier including the Company Charges and the SVT Supplier's charges ("option (ii)"); and (iii) a bill from the Company including the Company Charges and the SVT Supplier's charges ("option (iii)"). The SVT Supplier may choose not to offer option (ii), in which case the SVT Supplier need only offer option (i) to SVT Customers but may also offer option (iii). In no event may the SVT Supplier offer SVT Customers only options (i) and (ii) or only option (ii) terms of this rider. The SVT Supplier shall agree to provide to the Company access to documents or agreements, including telephone tapes and telemarketing scripts, for purposes of auditing when the Company has legitimate concerns regarding compliance. An SVT Supplier may elect to provide such billing for all or some of such SVT Customers.

The SVT Supplier shall furnish the Company, by electronic data transmission in a manner determined by the Company, a listing of each SVT Customer to be designated as an SVT Billing Customer. Such listing shall include each SVT Customer's account number, meter number, name, and address and may be submitted on the appropriate customer enrollment documents. Such listing may be included in the SVT Supplier's electronic submission designating the SVT Customer as a member of the SVT Supplier's Pool. The SVT Supplier shall warrant that it has obtained authorization from each SVT Customer, pursuant to the terms and conditions of its service agreement, specifying the SVT Supplier as the billing agent for the SVT Customer and shall agree to provide to the Company reasonable access to agency documentation only in order to resolve or other agreements for purposes of auditing compliance verify legitimate disputes raised by an SVT Customer regarding being billed by an SVT Supplier. The election of this billing service for such SVT Billing Customer shall be effective on the Company's next billing cycle date for such SVT Billing Customer. The Company's billing cycle dates shall be disclosed in a timely manner by the Company in an electronic format when the SVT Customer becomes enrolled with an SVT Supplier.

If the SVT Supplier terminates its service contract under this rider, terminates billing service under this rider to any SVT Billing Customer or terminates gas supply service to any SVT Billing Customer, the SVT Supplier shall submit notification to the Company, by electronic data transmission in a manner determined by the Company, of such termination for each such affected SVT Billing Customer. The termination of service under this rider for such SVT Billing Customers shall be effective on the Company's next billing cycle date for such SVT Billing Customers. If the SVT Supplier terminates its service contract under this rider, it shall not be eligible may be required to submit appropriate performance assurances before it is allowed to resume service for one (1) year from after the date of termination. If the SVT Supplier terminates service under this rider to any SVT Billing Customer or terminates gas supply service to any SVT Billing Customer, it shall not be eligible to provide service under this rider for such customer for one (1) year from the date of termination.

The SVT Supplier agrees, subject to the provisions in Section D(7) above, that the Company has the right to draw on the performance assurances provided pursuant to Section G of this rider

if such amounts are not timely remitted to the Company by such SVT Supplier. Payment for such bill shall not be considered remitted to the Company by the SVT Billing Customer until payment information applicable to such payment is received by the Company from the SVT Supplier pursuant to Section D(6) of this rider.

Nothing in this rider shall affect the Company's right to terminate service to a customer pursuant to Rider SVT or in accordance with 83 Illinois Administrative Code Part 280.

Section G -- Contract

The contract between the Company and an SVT Supplier hereunder shall continue for an initial term ~~ending on the first March 31 following the effective date thereof~~ of twelve (12) months, and from year to year thereafter, subject to the right of the SVT Supplier to terminate the contract at the end of the initial term or of any such year to year extension thereof by written notice to the other given not less than ~~60~~ 30 days prior to the date of such intended termination; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid.

SVT Suppliers must provide adequate assurances of payment to the Company. Such assurances shall be an irrevocable standby letter of credit ~~drawn on a bank acceptable to the Company,~~ cash deposit or parental guarantee, ~~based upon Company's determination of qualifications in an~~ amount equal to fifteen percent (15%) of a good faith estimate of the total amount that the SVT Supplier expects to be obliged to pay to the Company under this tariff. Such amounts shall be determined annually, by November 1 each year, based on the SVT Billing Customers served by the SVT Supplier pursuant to this rider.

If the SVT Supplier shall fail to comply with or perform any of the conditions or obligations on the SVT Supplier's part to be complied with or performed under this rider and the contract between the SVT Supplier and the Company, the Company may: (i) after 10 days verbal notice to the SVT Supplier that includes an opportunity to cure, confirmed in writing, suspend service under this rider until the SVT Supplier shall make good such failure; or (ii) terminate service 10 days after providing written notice of the Company's intention to terminate service unless within such 10 days the SVT Supplier shall make good such failure. The suspension or termination of service for any such cause shall not release the SVT Supplier from the obligation to make payment of any amounts due ~~or to become~~ in accordance with terms of this rider and the SVT Suppliers contract with the Company.

If the Company shall fail to comply with or perform any of the conditions or obligations on the Company's part to be complied with or performed under this rider and any contract between the SVT Supplier and the Company, the SVT Supplier may: (i) after 10 days verbal notice to the Company that includes an opportunity to cure, confirmed in writing, suspend service under this rider until the Company shall make good such failure; or (ii) terminate service 10 days after providing written notice of the SVT Supplier's intention to terminate service unless within such 10 days the Company shall make good such failure. The suspension or termination of service for any such cause shall not release

the Company from any of its obligations or amounts due in accordance with terms of this rider and the SVT Suppliers contract with the Company. The SVT Supplier's termination of service under this rider shall have no impact upon its ability to continue providing service to SVT Customers under Riders SVT and AGG.

The Company shall not be liable for any act, omission, promise, or representation of any SVT Supplier that takes service under this rider. An SVT Supplier is not an agent of the Company and shall have no authority to amend, modify, alter or waive any of the conditions of any contract or agreement entered into between the Company and a customer under any service classification or rider of this rate schedule or to bind the Company by making any promise or representation contrary to or inconsistent with the provisions of any such contract., agreement, service classification or rider.

This rider is subject to Terms and Conditions of Service and Riders to Schedule of Rates for Gas Service, which are applicable to this rider.

Section H -- Charges and Credits

Single Bill Credit

The Company will credit the SVT Billing Customer for each invoice-ready bill the Company submits to the SVT Supplier that otherwise would be sent by the Company to such SVT Billing Customer and for which the SVT Supplier provides billing of the Company's distribution services under this rider:

Single Bill Customer Credit (per bill)

TBD

Late Remittance Charge

In the event that the SVT Supplier does not remit payments as specified in Section D of this rider in the timely manner described therein, a late remittance charge payable in any month and accrued daily, shall be assessed to the SVT Supplier that shall be equal to a monthly rate of 1.5% of the amount not remitted to the Company in such timely manner and any unpaid amounts from prior months while the SVT Supplier was providing service under this rider, including previously assessed late remittance charges.

Rider SBO

Supplier Bill Option Service

Applicable to Riders SVT and AGG

Availability

Service under this rider, pursuant to which SVT Suppliers shall issue bills to SVT Billing Customers that include the Company Charges, is available, on and after _____, 2002, to SVT Suppliers who meet the following criteria:

- 1) satisfies each of the qualifications set forth in Section B of this rider;
- 2) is an SVT Supplier under Rider AGG of this rate schedule; and
- 3) provides the performance assurances set forth in Section G of this rider.

Section A -- Definitions

As used in this rider, the terms below are defined as follows:

Companion Classification shall mean the service classification under which the SVT Customer takes service from the Company and such Companion Classification shall be Service Classification No. 1 or Service Classification No. 2.

Company Charges shall mean the charges due and owing the Company for regulated distribution services provided by the Company to the SVT Customer pursuant to the Small Volume Customer Transportation service. Company Charges shall begin accruing contemporaneously with the commencement of service under this rider.

EFT shall mean electronic funds transfer in immediately available funds.

Pool shall mean the group of SVT Customers that the SVT Supplier establishes under its Rider AGG contract with the Company.

SVT Billing Customer shall mean an SVT Customer receiving billing service from an SVT Supplier pursuant to this rider.

SVT Customer shall mean a customer of the Company and the SVT Supplier taking service pursuant to Rider SVT.

SVT Supplier shall mean a marketer or broker providing service to SVT Customers pursuant to Rider AGG.

Section B -- SVT Supplier Qualifications

Before commencing service hereunder, an SVT Supplier shall comply with the following prerequisites for service. Such SVT Supplier shall have, and demonstrate through the successful completion of the Company's 7-day testing program:

- 1) the ability to accept electronically, in an internet based format, the Company's billing information for each of the SVT Billing Customers, and electronically accept from and transmit to the Company on a timely basis Company billing information and Company payment transaction information on a per customer basis for each of the SVT Billing Customers;
- 2) the ability to accept from SVT Billing Customers and electronically transmit by EFT to the Company payments of Company Charges for the SVT Billing Customers; and
- 3) the ability to issue bills for each of the SVT Billing Customers consistent with the requirements of this rider.

Section C -- Company Obligations

The Company shall:

- 1) electronically submit over the internet the Company Charges and usage information to the SVT Supplier for each SVT Billing Customer no later than five (5) Business Days after the Company Charges for such SVT Billing Customers are determined for the monthly billing period;
- 2) determine the Companion Classification charges, usage and other billing information submitted to the SVT Supplier taking service hereunder;
- 3) electronically accept from the SVT Supplier Company billing information and Company payment transaction information on a per customer basis for each SVT Billing Customer; and
- 4) accept from the SVT Supplier payments by EFT for the Company Charges received by the SVT Supplier from the SVT Billing Customers for the Company Charges.

Section D -- SVT Supplier Obligations

The SVT Supplier shall:

- 1) identify SVT Billing Customers pursuant to Section F of this rider;
- 2) issue bills to SVT Billing Customers that include the Company Charges that are provided to the SVT Supplier in a bill ready standardized electronic format that is internet based and mutually agreeable to both the Company and the SVT Supplier;
- 3) identify the Company with the Company's trade name as the distribution services provider on each bill the SVT Supplier issues to the SVT Billing Customers;
- 4) list the Company Charges provided by the Company in a bill ready format on each bill the SVT Supplier issues to the SVT Billing Customers in a format that complies with 83 Illinois Administrative Code Section 500.330, with the understanding that exact duplication of the Company's distribution services bill is not required;
- 5) provide a redacted copy to the Company of a bill that complies with Section D(4) each time the SVT Supplier's bill is revised;

- 6) electronically transmit to the Company payment transaction information regarding Company Charges for each of the SVT Billing Customer within five (5) Business Days of the SVT Supplier's receipt of such payment;
- 7) remit payments by EFT due to the Company from each of the SVT Billing Customers upon receipt from the Customer. Upon reaching a mutually agreeable receivables agreement, the SVT Supplier may pay to the Company all Company Charges submitted pursuant to Section (C)(1) regardless of whether payments are actually received by the SVT Supplier from the SVT Billing Customers; for purposes of this Section D(7), the date of the Company's bill shall be three (3) days from the date on which the Company electronically submits billing and usage information to the SVT Supplier pursuant to Section C(1) of this rider. A charge from the Company for late payment shall be determined under the Late Payment Charge provision in the Terms and Conditions of Service of this rate schedule for untimely remittances to the Company; and
- 8) at the Company's option, include with its bill issued in accordance with this rider, any required bill inserts or required informational mailings that the Company makes pursuant to its obligations imposed by the Illinois Commerce Commission. In such an event, the Company shall reimburse the SVT Supplier for the full costs that the SVT Supplier incurs in providing and distributing such information; and shall make the information available to SVT Suppliers taking service hereunder in the Company's standard format at least sixty (60) days in advance of distribution to the SVT Billing Customer receiving service pursuant to this tariff

Section E -- Company Logo, Trademarks and Service Marks

An SVT Supplier taking service under this rider is hereby licensed to reproduce on its bills to each SVT Billing Customer, without charge, the trade names, trademarks and service marks of the Company that are included in or with the billing materials submitted by the Company to the SVT Supplier for that customer. No SVT Supplier shall by reason of this license obtain any right, title, or interest in, or continuing right to use, any such trade name or mark. This license grants only the specific and limited rights expressly stated herein and the Company reserves all other rights. The Company may terminate this license upon reasonable and adequate notice to an SVT Supplier.

Section F -- Terms and Conditions of Service

An SVT Supplier may provide billing of the Company Charges for only those SVT Customers for which the SVT Supplier is providing gas supply services. Customer's decision to enroll with the SVT Supplier for gas supply service and agreement to the terms and conditions of such service shall signify the consent of the SVT Customer to become a SVT Billing Customer under the terms of this rider. The SVT Supplier shall agree to provide to the Company access to documents or agreements, including telephone tapes and telemarketing scripts, when the Company has legitimate concerns regarding compliance. An SVT Supplier may elect to provide such billing for all or some of such SVT Customers.

The SVT Supplier shall furnish the Company, by electronic data transmission, a listing of each SVT Customer to be designated as an SVT Billing Customer. Such listing shall include each SVT Customer's account number, name, and address and may be submitted on the appropriate customer enrollment documents. Such listing may be included in the SVT Supplier's electronic submission designating the SVT Customer as a member of the SVT Supplier's Pool. The SVT Supplier shall warrant that it has obtained authorization from each SVT Customer, pursuant to the terms and conditions of its service agreement, specifying the SVT Supplier as the billing agent for the SVT Customer and shall agree to provide to the Company reasonable access to documentation only in order to resolve or verify legitimate disputes raised by an SVT Customer regarding being billed by an SVT Supplier. The election of this billing service for such SVT Billing Customer shall be effective on the Company's next billing cycle date for such SVT Billing Customer. The Company's billing cycle dates shall be disclosed in a timely manner by the Company in an electronic format when the SVT Customer becomes enrolled with an SVT Supplier.

If the SVT Supplier terminates its service contract under this rider, terminates billing service under this rider to any SVT Billing Customer or terminates gas supply service to any SVT Billing Customer, the SVT Supplier shall submit notification to the Company, by electronic data transmission, of such termination for each such affected SVT Billing Customer. The termination of service under this rider for such SVT Billing Customers shall be effective on the Company's next billing cycle date for such SVT Billing Customers. If the SVT Supplier terminates its service contract under this rider, it may be required to submit appropriate performance assurances before it is allowed to resume service after the date of termination.

The SVT Supplier agrees, subject to the provisions in Section D(7) above, that the Company has the right to draw on the performance assurances provided pursuant to Section G of this rider if such amounts are not timely remitted to the Company by such SVT Supplier. Payment for such bill shall not be considered remitted to the Company by the SVT Billing Customer until payment information applicable to such payment is received by the Company from the SVT Supplier pursuant to Section D(6) of this rider.

Nothing in this rider shall affect the Company's right to terminate service to a customer pursuant to Rider SVT or in accordance with 83 Illinois Administrative Code Part 280.

Section G – Contract

The contract between the Company and an SVT Supplier hereunder shall continue for an initial term of twelve (12) months, and from year to year thereafter, subject to the right of the SVT Supplier to terminate the contract at the end of the initial term or of any such year to year extension thereof by written notice to the other given not less than 30 days prior to the date of such intended termination; provided, however, that in the event of termination, all amounts due the Company shall forthwith be paid.

SVT Suppliers must provide adequate assurances of payment to the Company. Such assurances shall be an irrevocable standby letter of credit, cash deposit or parental guarantee, in an amount equal to fifteen percent (15%) of a good faith estimate of the total amount that the SVT Supplier expects to be obliged to pay to the Company under this tariff. Such amounts shall be determined annually, by November 1 each year, based on the SVT Billing Customers served by the SVT Supplier pursuant to this rider.

If the SVT Supplier shall fail to comply with or perform any of the conditions or obligations on the SVT Supplier's part to be complied with or performed under this rider and the contract between the SVT Supplier and the Company, the Company may: (i) after 10 days verbal notice to the SVT Supplier that includes an opportunity to cure, confirmed in writing, suspend service under this rider until the SVT Supplier shall make good such failure; or (ii) terminate service 10 days after providing written notice of the Company's intention to terminate service unless within such 10 days the SVT Supplier shall make good such failure. The suspension or termination of service for any such cause shall not release the SVT Supplier from the obligation to make payment of any amounts due in accordance with terms of this rider and the SVT Suppliers contract with the Company.

If the Company shall fail to comply with or perform any of the conditions or obligations on the Company's part to be complied with or performed under this rider and any contract between the SVT Supplier and the Company, the SVT Supplier may: (i) after 10 days verbal notice to the Company that includes an opportunity to cure, confirmed in writing, suspend service under this rider until the Company shall make good such failure; or (ii) terminate service 10 days after providing written notice of the SVT Supplier's intention to terminate service unless within such 10 days the Company shall make good such failure. The suspension or termination of service for any such cause shall not release the Company from any of its obligations or amounts due in accordance with terms of this rider and the SVT Suppliers contract with the Company. The SVT Supplier's termination of service under this rider shall have no impact upon its ability to continue providing service to SVT Customers under Riders SVT and AGG.

The Company shall not be liable for any act, omission, promise, or representation of any SVT Supplier that takes service under this rider. An SVT Supplier is not an agent of the Company and shall have no authority to amend, modify, alter or waive any of the conditions of any contract or agreement entered into between the Company and a customer under any service classification or rider of this rate schedule or to bind the Company by making any promise or representation contrary to or inconsistent with the provisions of any such contract., agreement, service classification or rider.

This rider is subject to Terms and Conditions of Service and Riders to Schedule of Rates for Gas Service, which are applicable to this rider.

Section H -- Charges and Credits

Single Bill Credit

The Company will credit the SVT Billing Customer for each invoice-ready bill the Company submits to the SVT Supplier that otherwise would be sent by the Company to such SVT Billing Customer and for which the SVT Supplier provides billing of the Company's distribution services under this rider:

Single Bill Customer Credit (per bill)	TBD
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Late Remittance Charge

In the event that the SVT Supplier does not remit payments as specified in Section D of this rider in the timely manner described therein, a late remittance charge payable in any month and accrued daily, shall be assessed to the SVT Supplier that shall be equal to a monthly rate of 1.5% of the amount not remitted to the Company in such timely manner and any unpaid amounts from prior months while the SVT Supplier was providing service under this rider, including previously assessed late remittance charges.

B

NON-BINDING GUIDELINE

ACCOUNT RECEIVABLES PURCHASE AGREEMENT

This ACCOUNT RECEIVABLE PURCHASE AGREEMENT (AGREEMENT), made and entered into on this ____ day of _____, 20__, between Company, and _____, a _____ ("CRES Provider" or "Seller"), amends and supplements the _____, 20__ ELECTRIC DISTRIBUTION UTILITY/COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER AGREEMENT FOR COMPANY'S OHIO RETAIL ACCESS PROGRAM between the Company and the CRES Provider ("EDU/CRES Provider Agreement"). The Company and the CRES Provider are sometimes herein referred to singularly as a "Party" or collectively as the "Parties".

WITNESSETH:

WHEREAS, in connection with the EDU/CRES Provider Agreement, the CRES Provider intends to offer and to sell one or more Competitive Retail Electric Services (as such term is defined in the EDU/CRES Provider Agreement); and

WHEREAS, the CRES Provider has requested that the Company bill the CRES Provider's customers for Competitive Retail Electric Services on the Company's bill (sometimes hereinafter referred to as "Company consolidated billing"); and

WHEREAS, the Company's Retail Tariff for Choice Participants provides that the Company will not purchase CRES Provider's applicable accounts receivables until this Agreement has been executed by the CRES Provider; and

WHEREAS, subject to the terms and conditions hereof, and consistent with the Company's Terms and Conditions of Service, Seller desires to sell and Company desires to purchase, without recourse, certain accounts receivable arising from the sale of such Competitive Retail Electric Services in Seller's ordinary course of business; and

WHEREAS, Company and Seller intend the arrangements created herein to constitute a true sale of Seller's accounts receivable to Company and not a loan or other arrangement.

NOW, THEREFORE, the Parties hereto agree as follows:

L DEFINITIONS

1.1 Certain Defined Terms. These terms are in addition to or, when modified herein, in lieu of those in the EDU/CRES Provider Agreement. For all purposes of this Agreement, except as otherwise expressly provided herein or unless the context otherwise requires, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

1.1.1. Adverse Claim. "Adverse Claim" means a lien, security interest, charge, encumbrance or other adverse right or claim of any kind of any Person, but does not include any loss that is due solely to the financial inability or bad faith failure of any Customer to pay at maturity any amount due and payable in respect of a Receivable.

1.1.2. Billed Receivable. "Billed Receivable" means an Outstanding Receivable for which, as of the time of determination, a Customer Bill has been rendered.

1.1.3. Budget Account Receivable. "Budget Account Receivable" means a contract right of Seller to receive payment for the sale of CRES Provider's outstanding receivable, regardless of the level of such services delivered, including rights of Seller pursuant to average monthly payment plans or other special payment arrangements which the Seller may from time to time enter into with any Customer.

1.1.4. Business Day. "Business Day" means any day other than a Saturday, Sunday, Seller holiday, Company holiday or public holiday or the equivalent for banks of the Federal Reserve System. Business Day is limited to the hours of --am to -- pm. An event occurring after business day hours will be deemed to have occurred on the next Business Day. Each Party to this Agreement shall provide to the other Party, upon execution of this Agreement and by December 1 of each year during the term of this Agreement, a schedule of the holidays it observes for the following calendar year.

1.1.5. Collections. "Collections" means, with respect to any Receivable, all cash collections, negotiable instruments, other cash or non-cash proceeds or any other form of payment in respect of any such Receivable and shall include all proceeds of any Receivable within the meaning of the Ohio Uniform Commercial Code ("UCC"), as may be in effect from time to time. "Collections" shall also mean, to the extent not prohibited under applicable law that portion of any security deposit applied in satisfaction of a Receivable in accordance with the Parties' written agreement.

1.1.6. Competitive Retail Electric Services. "Competitive Retail Electric Services" bears the meaning assigned to such term in the EDU/CRES Provider Agreement.

1.1.7. Customer. "Customer" means any Person obligated to make payment to Seller for purchases from Seller of Competitive Retail Electric Services. Customer is limited to those persons whose load consuming facilities are located within the Company's service territory within the meaning of Ohio Revised Code Chapter 4933.

1.1.8. Customer Bill. "Customer Bill" means an invoice or any other evidence of a Customer's obligation to Seller rendered by the Company to a Customer for purchases from Seller of Competitive Retail Electric Services.

1.1.9. EDI Agreement. "EDI Agreement" means the _____ 20__ Electronic Data Interchange Agreement between the Company and the CRES Provider.

1.1.10. EDU/CRES Provider Agreement. "EDU/CRES Provider Agreement" bears the meaning assigned to such term in the preamble of this Agreement.

1.1.11. Excluded Receivables. "Excluded Receivables" means: (a) Outstanding Receivables whose assignment is prohibited by applicable federal or state law, and (b) such other Outstanding Receivables as Seller and Company from time to time shall mutually agree to be Excluded Receivables.

1.1.12. Face Amount. "Face Amount" means: (a) for a Billed Receivable, the unpaid balance thereof duly owed to Seller by a Customer (excluding any portion of the unpaid balance relating to charges which are not Outstanding Accepted Receivables or which are Excluded Receivables); and (b) for a Budget Account Receivable, the contractual amount due and owing for the sale and delivery by Seller to Customer of Competitive Retail Electric Services in the ordinary course of business; in any such case determined on the Purchase Date on which such Outstanding Accepted Receivable is purchased by Company hereunder (excluding any amount due relating to charges which are not Outstanding Accepted Receivables or which are Excluded Receivables).

1.1.13. Governmental Approvals. "Governmental Approvals" means all consents, approvals, authorizations, orders, registrations or qualifications of any Person or public authority as may be required by any appropriate regulatory authority in respect of the transactions contemplated hereby.

1.1.14. Outstanding Accepted Receivable. "Outstanding Accepted Receivable" means an Outstanding Receivable that is not an Excluded Receivable and that has been accepted by the Company via an electronic transmission. Outstanding Receivables transmitted by the Seller and rejected by the Company via an electronic transmission to the Seller, are not considered an Outstanding Accepted Receivable.

1.1.15. Outstanding Receivable. "Outstanding Receivable" means any of Seller's rights to payment, whether or not evidenced by a Customer Bill, arising from the electronic transmission by the Seller in a bill-ready, or rate-ready format, for Competitive Retail Electric Services that are to be billed to the Seller's customers by the Company.

1.1.16. Person. "Person" means any natural person, corporation, company, voluntary association, partnership, joint venture, trust (including a business trust), unincorporated organization or government (or any agency, instrumentality or political subdivision thereof).

1.1.17. Purchase Date. "Purchase Date" means the date on which the transfer of title to the Company of Outstanding Accepted Receivables occurs. [The method and date of transfer shall be agreed to by the parties].

1.1.18. Purchase Price. "Purchase Price" means the price paid by the Company to Seller for the purchase by the Company from Seller of Outstanding Accepted Receivables on any Purchase Date pursuant to this Agreement and calculated in accordance with Exhibit A attached hereto.

1.1.19. Receivable. "Receivable" means any Outstanding Accepted Receivable that has been purchased by the Company from the Seller pursuant to this Agreement.

1.1.20. Sale and Assignment. "Sale and Assignment" means a sale and assignment agreement in substantially the form attached hereto as Exhibit B.

1.1.21. Termination Date. "Termination Date" means the date of the last Business Day for which a CRES Provider is certified by the PUCO or registered by the Company, or the date otherwise specified for termination of Company's obligation to purchase Outstanding Accepted Receivables hereunder in the notice contemplated by Section 8.1 hereof.

II. OBLIGATIONS OF THE PARTIES

2.1. Usage Information for Bill Ready Consolidated Billing and Accounts Receivable Purchase. As long as the Company is acting as the meter data management agent ("MDMA"), the Company shall read the meters of the CRES Provider's customers in accordance with the Company's meter reading cycles, which the Company intends to have posted to its website at [1. Within two (2) business days of the meter read date or one business day from the verification of the meter reading, if verification is required, the Company shall electronically transmit the usage information for the CRES Provider's customers to the CRES Provider in accordance with the terms of the EDI Agreement. Verification of any meter reading shall be conducted in a commercially reasonable time.

2.2. Charges for Competitive Retail Electric Services for Bill Ready Consolidated Billing and Accounts Receivables Purchase. Within three (3) business days of receiving usage information, the CRES Provider shall electronically transmit to the Company, in a bill-ready format, the charges for Competitive Retail Electric Services that are to be billed to the CRES Provider's customers by the Company.

2.3 Charges for Competitive Retail Electric Services for Rate Ready Consolidated Billing and Accounts Receivables Purchase. In a rate ready billing scenario the Company shall render a Customer Bill that includes the CRES Providers charges for Competitive Retail Electric Services.

2.4. Rejections for Bill Ready Consolidated Billing and Accounts Receivables Purchase.

(a) Within two (2) Business Days after the date on which the Company receives from the CRES Provider electronically transmitted bill-ready charges to the Company, the Company shall transmit to the CRES Provider, via an EDI transaction, notice of rejected charges showing, by Account Number, those CRES Provider charges that could not be posted to the specific customer's Account for bill presentment and explaining why those charges could not be so posted by the Company. The CRES Provider shall correct or modify the charges and resubmit them to the Company. The Company shall make a good faith effort to include all such corrected billing in the current month's customer bill. Corrections received that cannot be added to the current consolidated bill will be treated in accordance with EDI rules unless otherwise agreed upon by the parties.

(b) Improper Rejection: In the event that the Company rejects a transmitted Outstanding Receivable that is informationally complete and correct then the Company and Seller shall make reasonable efforts to resolve any dispute that may arise therefrom, through the payment by the Company of carrying charges of the Seller, if applicable, within thirty (30) days, thereafter either party may complain

to the Commission or proceed as otherwise agreed to by the Parties in writing.

2.5. Sale of Outstanding Accepted Receivables. The CRES Provider shall sell its Outstanding Accepted Receivables to the Company under the terms of this Agreement.

III. PURCHASE OF OUTSTANDING ACCEPTED RECEIVABLES

3.1. Purchases, Purchase Procedure, and Charge Off Limit Fees. In accordance with the Purchase Price, Procedures, and Fees set forth in Exhibit A, the Company shall purchase from Seller, without recourse, and Seller shall sell and assign to Company, all right, title and interest in and to all of the Outstanding Accepted Receivables of Seller described in the applicable Sale and Assignment, including all right, title and interest in all Collections whenever received by Seller. Company and Seller hereby agree that each such purchase of Outstanding Receivables shall constitute a true sale of all rights, title and interest in and to such Outstanding Receivables and to all amounts paid in respect of such Outstanding Receivables. The Company may return to the Company's standard offer service any customer that has an arrearage for Competitive Retail Electric Services of sixty (60) days or more or, with the agreement of Seller, drop such customer from the consolidated billing program pursuant to this Agreement and not return such customer to standard offer service.

3.2. Seller Contract and Company Billing Cycles. The Seller, in its contract for Competitive Retail Electric Service with any end use customer, shall include terms and conditions that match the Seller's and such customer's billing and collection procedures to the Company's billing cycle pursuant to O.A.C. 4901:1-21-14(B).

IV. REPRESENTATIONS AND WARRANTIES

4.1. Representations and Warranties of Seller. These representations and warranties are in addition to those in the EDU/CRES Provider Agreement. Seller represents and warrants to Company as follows:

4.1.1. No Restrictions. The sale of Receivables pursuant to this Agreement, the performance of Seller's obligations under this Agreement, and the consummation of the transactions herein contemplated do not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any Adverse Claim upon any of Seller's property or assets pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument (other than this Agreement) to which Seller is a Party or by which any of Seller's property

or assets is subject, nor will such action result in any violation of the provisions of Seller's Articles of Incorporation, Bylaws or other organizational documents, including but not limited to partnership agreements, or any statute or any order, rule or regulation of any court or governmental agency or body of the United States, any State or any political subdivision of either having jurisdiction over Seller or any of Seller's properties; and no consent, approval, authorization, order, registration or qualification of or with any such court or any such regulatory authority or other such governmental agency or body (other than the Governmental Approvals and such other consents, approvals, authorizations, orders, registrations or qualifications as have been obtained) is required for the sale of Receivables hereunder or the consummation by Seller or the other transactions contemplated by this Agreement.

4.1.2. Authorization and Effect of Agreement. This Agreement has been duly authorized, executed and delivered by Seller and constitutes Seller's valid and legally binding obligation, enforceable against Seller in accordance with its terms, subject as to enforcement to bankruptcy, insolvency, reorganization and other similar laws of general applicability relating to or affecting creditors, rights and to general principles of equity.

4.1.3. Title of Receivables. The Parties intend that each Receivable at the time of its purchase by the Company pursuant to this Agreement (i) will constitute an "account" within the meaning of Section 1309.01(15) of the Ohio Revised Code, as now or hereafter in effect, (ii) will be, together with the rights to the Collections in respect thereof, owned by the Seller free from any Adverse Claim, (iii) will be denominated and payable only in U.S. dollars, and (iv) will not knowingly contravene any law, rule or regulation applicable thereto. On each Purchase Date, the Seller shall transfer and assign to the Company title to the Receivables (and all rights to the Collections in respect thereof) being purchased by the Company on such Purchase Date, free of any Adverse Claim, and the Seller shall, at its cost and expense, defend the Company's title to such Receivables (and the Collections in respect thereof) against any Adverse Claim (except for any Adverse Claim arising from any act or omission of the Company) asserted by any Person at any time. To the Seller's knowledge the Face Amount of each Receivable shall represent and constitute the legal, valid and binding obligation of the account debtor thereunder to pay such Face Amount.

4.1.4. No Financing Statements. There is no financing statement under the UCC of any jurisdiction, as now or hereafter in effect, (or similar statement or instrument of registration or otherwise under the laws of any jurisdiction) authorized by Seller now on file or registered in any public office covering any interest of any kind in the Receivables, or any Collections in respect thereof, or intended so to be, and Seller will neither execute nor file in any public office any financing statement (or similar statement or instrument of registration or otherwise under the laws of any jurisdiction) relating to such Receivables or any Collections in respect thereof, except for the UCC financing

statements filed or to be filed in respect of and covering the purchase of the Receivables hereunder.

4.1.5. Principal Place of Business. The principal place of business and principal executive office of Seller, as well as the offices where Seller maintains Seller's principal books, records, computer programs, electronically stored data and other documents evidencing Outstanding Receivables, are located at the address or addresses set forth in Section 10.2 hereof (or at such other location, of which Company shall be notified in accordance with Section 10.2 hereof). Seller is a [type of entity] duly organized or incorporated, validly existing and in good standing under the laws of the State of [insert state of organization or incorporation] under the name of [Seller as set forth at the beginning of this Addendum] [or] [insert name under which Seller is incorporated or organized in its state of organization or incorporation].

4.1.6. Perfection. Upon the filing of the U.C.C. financing statements prepared by the Company and reviewed by the Seller, all filings and recordings (including UCC financing statement filings) required to perfect any security interest of the Company in all Receivables (and all Collections in respect thereof) when sold and when value is received therefor have been accomplished and are in full force and effect, and Seller shall at Seller's expense perform all acts and execute all documents reasonably requested by Company at any time to evidence, perfect, maintain and enforce any security interest or title and interest of Company in such Receivables (and all Collections in respect thereof) and the priority thereof.

4.1.7. Investment Company. Seller is not an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

4.1.8 Seller as CRES Provider. Seller is a "CRES Provider" certified by the Commission as a "Retail Electric Generation Provider" as "CRES Provider" and "Retail Electric Generation Provider" are defined in OAC 4901:1-24-01(J) and 4901:1-24-01(W).

4.2. Representations and Warranties of Company. Company represents and warrants to Seller as follows:

4.2.1. Organization and Power. Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio with all requisite corporate power and authority to own its properties and to transact the business in which it is now engaged or in which it proposes to engage.

4.2.2. No Restrictions. The purchase by Company of Receivables pursuant to this Agreement and the consummation of the transactions herein contemplated will not conflict with or result in a breach of any of the terms or

provisions of, or constitute a default under the terms of, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which Company is a party or by which Company is bound or to which any of the property or assets of Company is subject, nor will such action result in any violation of the provisions of the certificate of incorporation or the by-laws of Company or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over Company or any of Company's properties; and no consent, approval, authorization, order, registration or qualification of or with any court or any such regulatory authority or other governmental agency or body (other than the Governmental Approvals and such other consents, approvals, authorizations, orders, registrations or qualifications as have been obtained) is required for the purchase by Company of Receivables hereunder or the consummation by Company of the other transactions contemplated by this Agreement.

4.2.3. Authorization and Effect of Agreement. This Agreement has been duly authorized, executed and delivered by Company and constitutes the valid and legally binding obligation of Company enforceable against Company in accordance with its terms, subject as to enforcement to bankruptcy, insolvency, reorganization and other similar laws of general applicability relating to or affecting creditors' rights and to general principles of equity.

V. COVENANTS OF SELLER

5.1. Preservation of CRES Status. Seller or its legal successor shall preserve and maintain its status as a CRES Provider during the term of this Agreement.

5.2. Maintenance of Offices. Seller shall maintain originals or duplicates of the principal documents (including, without limitation, computer tapes and disks) evidencing all sales of Competitive Retail Electric Services, Receivables and Customer Bills (to the extent said Customer Bills are in Seller's possession) at the address as set forth in Section 10.2 hereof, and Seller shall give to the Company not less than 45 days prior written notice of any change in location of its principal executive offices or location of such documents, or any reincorporation or reorganization to a state other than as set forth in Section 4.1.5 hereof; and (b) Seller agrees to take such reasonable action as may be requested by the Company, to maintain the any security interest and title and interest and priority of the Company in such Receivables and Collections in respect thereof.

5.3. Continuing Obligations. The Seller will duly and timely perform and fulfill all obligations on its part to be performed or fulfilled under or in connection with the Receivables, and will do nothing to limit, impair or restrict the Company's right, title and interest in and to any of the Receivables (or any Collections in respect thereof) or the collection or collectability of any of

the Receivables. Notwithstanding the foregoing, the Seller may make adjustments or allowances to any of the Receivables in the ordinary course of business, provided that the Seller shall promptly inform the Company in writing of any such adjustment or allowance so made and shall, upon the Company's written request therefor, promptly compensate the Company for any loss suffered or incurred by the Company as a result of any such adjustment or allowance.

5.4. Further Action. Seller will make, execute or endorse, acknowledge, and file or deliver to Company from time to time such vouchers, invoices, schedules, confirmatory assignments, conveyances, transfer endorsements, powers of attorney, certificates, reports, and other assurances or instruments and take such further steps relating to the Receivables and Collections in respect thereof as Company may reasonably request for the protection of the rights of Company hereunder.

5.5. Approvals. Seller shall use its best efforts to obtain, and to assist Company in obtaining, any and all consents, approvals, authorizations, orders, registrations and qualifications which may be required from time to time in the future to consummate the transactions contemplated by this Agreement, including without limitation the Governmental Approvals.

5.6. Sales, Adverse Claims, Etc. Except as otherwise herei provided, Seller shall not sell, assign (by operation of law or otherwise), dispose of, or create or suffer to exist any Adverse Claim upon or with respect to, Seller's undivided interest in any Receivable or Collections in respect thereof or assign any right to receive income in respect thereof. Without limiting the generality of the foregoing, Seller will not claim any ownership or other interest in the Receivables and will respond to third party inquiries with respect to the ownership of the Receivables by stating that such ownership has been entirely transferred to Company.

5.7. Extension or Amendment of Receivables. Without the prior written consent of Company, Seller shall not extend, amend or otherwise modify the terms of any Receivable.

5.8. Compliance with Laws, Etc. Seller shall comply in all material respects with applicable laws, rules, regulations and orders applicable to all of its Outstanding Receivables as now or hereinafter in effect.

5.9. Keeping of Records and Books of Account. Seller shall at its sole cost and expense maintain and implement, or cause to be maintained and implemented, administrative and operating procedures, and keep and maintain, or cause to be kept and maintained, all documents, books, records and other information including, without limitation, all tapes, disks or other electronically stored or computerized programs, data, records or documents, reasonably necessary or advisable for the calculation and collection of all

Receivables for a period of not less than five (5) years. Such books and records shall appropriately reflect the sale of such Receivables to Company.

5.10. Inspection. Upon reasonable prior notice and, in any event, no more than two times per year for good cause shown, during regular business hours, Seller shall permit Company or Company's agents or representatives, or, upon reasonable notification to Seller, agents or representatives of any lender providing financing to Company, for the purpose of protecting Company's interests hereunder, to examine and make copies of and abstracts from all relevant books, records and documents (including, without limitation, computer tapes and disks) in the possession or under the control of Seller relating to sales of Receivables and Collections in respect thereof.

5.11. Annual Financial Audit. On the effective date of this Agreement or thereafter, the Company shall provide Seller with a letter, from an appropriate financial institution or the Company's independent public accountant, that shall verify the need for the requirements set forth in Exhibit E to allow the Company to purchase and process Seller's receivables. Thereafter, in connection with Seller's annual independent financial audit, Seller shall instruct its independent public accounting firm to audit the accounts receivable records maintained by Seller in accordance with the audit outline set forth in Exhibit E hereto and to furnish the results of such audit to Company's independent public accountant. The Company shall pay for any incremental cost that may arise from the preparation of the materials required by this Agreement associated with such audit. The Company agrees to execute and deliver a confidentiality agreement in form and substance reasonably satisfactory to the Seller and Company with respect to the information supplied by the Company's independent public accountants and agrees (a) to use such information only in connection with the purchase and process of Seller's Receivables and (b) to not deliver or transmit such information to any third party unless such third party shall have executed and delivered a confidentiality agreement with the Seller and only as part of the purchase and process of Seller's Receivables unless the Company is ordered to transmit such information pursuant to a Court or Administrative Agency of competent jurisdiction. If a Court or Administrative Agency orders such disclosure by the Company, the Company shall use commercially reasonable efforts to provide Seller with notice.

5.12. Financial Statements. On the effective date of this Agreement or thereafter, the Company shall provide Seller with a letter, from an appropriate financial institution or the Company's independent public accountant, that shall verify the need for Company to receive the financial statements referenced in Exhibit F to allow the Company to purchase and process Seller's receivables. Exhibit F shall specify the financial statements and schedule of delivery of those financial statements that Seller must provide to Company. Such fiscal year financial statements shall be accompanied by an opinion of Seller's independent public accounting firm. The Company agrees to

execute and deliver a confidentiality agreement in form and substance reasonably satisfactory to the Seller and Company with respect to the information supplied by the Company's independent public accountants and agrees (a) to use such information only in connection with the purchase and process of Seller's Receivables and (b) to not deliver or transmit such information to any third party unless such third party shall have executed and delivered a confidentiality agreement with the Seller and only as part of the purchase and process of Seller's Receivables unless the Company is ordered to transmit such information pursuant to a Court or Administrative Agency of competent jurisdiction. If a Court or Administrative Agency orders such disclosure by the Company, the Company shall use commercially reasonable efforts to provide Seller with notice.

VI. CONDITIONS PRECEDENT

8.1. Conditions Precedent to All Purchases. Each purchase of Outstanding Receivables hereunder shall be subject to, unless otherwise waived by Company in the manner set forth in Section 10.1 hereof, the following further conditions precedent:

(a) On the appropriate Purchase Date (and Seller, by accepting the Purchase Price, shall be deemed to have certified that) the representations and warranties made by Seller contained in Section 4.1 hereof are correct in all material respects on and as of such date, as though made on and as of such date (or if made as of a specific date, as of such date);

(b) All Governmental Approvals with respect to this Agreement and the EDU/CRES Provider Agreement required in connection with Seller's execution, delivery and performance hereof and thereof, each Sale and Assignment and the other documents to be delivered hereunder, and the transactions documents to be delivered hereunder, and the transactions contemplated hereby required in connection with Seller's execution, delivery and performance hereof or thereof, shall have been received and shall be in effect on the appropriate Purchase Date;

(c) Company shall have received from the Seller such other approvals, opinions or documents as Company may reasonably request;

(d) Seller shall not be in material breach of any covenant of this Agreement or of the EDU/CRES Provider Agreement;

(e) Seller shall not have (i) instituted or consented to the institution of any proceeding, or filed a petition, answer, consent or other

pleading, in either case, seeking reorganization of Seller or any other relief or procedure with respect to Seller, under any applicable federal or state law relating to bankruptcy, insolvency, liquidation, dissolution or similar law, (ii) consented to the appointment of a receiver, liquidator, assignee, trustee, sequestrator (or other similar official) of Seller or a substantial part of its property, (iii) made any assignment for the benefit of creditors, (iv) admitted in writing its inability to pay its debts generally as they become due, or (v) taken any corporate action in furtherance of any of the foregoing actions, and no involuntary proceeding shall have been instituted against Seller or its properties for any such reorganization, relief, appointment, assignment or admission.

VII. ADMINISTRATION AND COLLECTION

7.1. Further Action Evidencing Purchases.

(a) Seller agrees that from time to time, at its expense, it will promptly execute and deliver all further instruments and documents, and take all further action, that may be reasonably necessary or desirable or that Company may reasonably request, in order to perfect, protect or evidence the transfer of title of Receivables transferred hereunder and rights to Collections in respect thereof, or to enable Company to exercise or enforce any of its rights hereunder. Without limiting the generality of the foregoing, Seller shall upon request of Company (i) execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices as may be necessary or appropriate for the protection of Company's rights hereunder; and (ii) to the extent not already done, mark its data processing records evidencing all of its Receivables with a legend, acceptable to Company, identifying those Receivables that have been sold in accordance with this Agreement.

(b) Seller hereby authorizes Company to file one or more financing or continuation statements, and amendments thereto and further assignments thereof relative to all or any of the Receivables and rights in Collections in respect thereof now existing or hereafter arising without the signature of Seller where permitted by law. If Seller shall fail to execute or file any financing or continuation statement, amendment, instrument or notice in accordance with subsection (a) above, Company may, and is hereby irrevocably appointed attorney-in-fact to execute or file the same on behalf of and in the name of Seller.

(c) If Seller fails to perform any of its agreements or obligations under this Agreement related to the documentation of the transfer of title of Receivables transferred hereunder or the perfection of security interests therein, Company may (but shall not be required to)

itself perform, or cause performance of such agreement or obligation and the reasonable and necessary expenses of Company incurred in connection therewith shall be payable by Seller upon demand by Company.

VIII. TERMINATION

8.1. Termination.

(a) In the event that the Seller ceases to provide Competitive Retail Electric Services to Customer's in the Company's service territory or otherwise withdraws from the Ohio Choice market in accordance with the provisions of the EDU/CRES Provider Agreement, this Addendum shall immediately terminate. In addition, either party to this Agreement may terminate this Agreement at any time upon not less than 30-days' written notice to the other Party. [The termination of this Addendum pursuant to this Section 8.1 does not relieve the Company from its obligation to purchase Seller's Receivables or provide consolidated billing pursuant to The Public Utilities Commission of Ohio's Orders, nor does it relieve Seller of its obligations as a CRES Provider pursuant to The Public Utilities Commission of Ohio's Orders.]

(b) Further, this Addendum may be terminated by a Party upon the occurrence of any of the following:

(i) Immediately upon written notice in the event the other Party has materially breached any of its duties, obligations, representations or warranties under this Agreement and has not cured such breach pursuant to the Company's tariff, Commission Order, or OAC 4901:1-24-12; and

(ii) Immediately upon the other Party committing any fraudulent or illegal act, or willful, reckless or grossly negligent misconduct; and

(iii) Immediately upon written notice in the event there is any bankruptcy reorganization or other arrangement, receivership or similar insolvency proceeding commenced by or against the other Party.

(iv) [The Parties may negotiate a termination clause related to an agreed upon de minimis level of Competitive Retail Electric Service.]

From and after the Termination Date, the Company shall have no further obligation to purchase receivables hereunder. Except as specified in Section 8.2 hereof, termination of this Agreement by either Party shall

not affect Receivables and rights in the Collections in respect thereof, or the rights and obligations of Company or Seller with respect thereto, sold to Company pursuant to this Agreement prior to the date of such termination, and no such termination shall affect either Party's obligations to the other under Section 8.2, Article IX, Section 10.5 and Section 10.6 hereof.

8.2 Termination Procedures. Unless Seller and Company are continuing billing and collection arrangements under the EDU/CRES Provider Agreement, not less than 30 days prior to the Termination Date (or, in the case of termination by Company, on the Termination Date), Seller agrees to have accounting procedures that distinguish Receivables and Collections in respect thereof owned by Company from other receivables and collections, and to maintain such procedures so long as any such Receivables are outstanding. Following the Termination Date Seller agrees to collect all Receivables, receive all Collections in respect thereof and otherwise facilitate Collections of Receivables purchased by the Company and remit to the Company pursuant to terms in the EDU/CRES Provider Agreement. In the event billing and collection arrangements between the Seller and the Company are continuing under the EDU/CRES Provider Agreement, Seller and Company shall coordinate to ensure records are adequately marked to distinguish Receivables from other receivables. In lieu of the foregoing, Seller shall have the option by written notice to Company not less than 30 days prior to the Termination Date (or, in the case of termination by Company, on the Termination Date) to repurchase all Receivables from Company on the Termination Date. The repurchase price shall be the unpaid balance of the Receivables on the repurchase date. In the event of a repurchase under this Section 8.2, Company shall deliver to Seller all instruments of transfer and related documents as may be reasonably necessary to effect such transfer, free of any Adverse Claim.

IX. INDEMNIFICATION

9.1. Indemnities by Seller.

(a) Without prejudice to any other rights which Company may have hereunder or under applicable law, Seller hereby agrees to indemnify and save harmless Company from and against any and all damages, losses, claims, liabilities, costs and expenses (including reasonable attorneys fees and disbursements) arising out of or resulting from the material breach of any representation or covenant of Seller under this Agreement.

(b) Notwithstanding any other provision of this Agreement, and in furtherance and not in limitation of the foregoing, Seller agrees to pay to Company upon demand any and all reasonable

amounts necessary to indemnify it and save it harmless from and against any and all damages, losses, claims, liabilities or expenses (including reasonable attorneys, fees and disbursements) awarded against or incurred by it arising out of or as a result of:

(i) Company's reliance on any representation or warranty made by or on behalf of Seller under or in connection with this Agreement, in any report from Seller or in any other information delivered by Seller pursuant hereto or thereto, which shall have been false or incorrect in any material respect when made or deemed made;

(ii) the failure by Seller to comply with any applicable law, rule or regulation with respect to any of the Receivables, or the nonconformity of any of the Receivables with any such applicable law, rule or regulation.

(iii) the failure to vest in the Company ownership of the Receivables free and clear of any Adverse Claim;

(iv) the failure to file, or any delay in filing, financing statements, continuation statements or other similar instruments or documents under the UCC of any applicable jurisdiction or other applicable laws with respect to any Receivables, whether at the time of any purchase of any Receivable or at any subsequent time due to the action or inaction of the Seller;

(v) any Adverse Claim related to any Receivable (including, without limitation the Adverse Claims described in Section 4.1.4 hereof);

(vi) any failure by Seller to deliver timely to Company the Collections, books, records, documents or other information which may be required to be delivered pursuant to this Agreement;

(vii) any failure by Seller to be duly qualified to do business, and to be in good standing, in every jurisdiction where such qualification was required hereunder for the enforcement of any Receivable against the applicable Customer.

(c) Seller shall not be liable for any loss suffered by Company that is due solely to the financial inability or bad faith failure of any Customer to pay at maturity any amounts due and payable in respect of a Receivable.

9.2. Indemnities by the Company.

(a) Without prejudice to any other rights which Seller may have hereunder or under applicable law, the Company hereby agrees to indemnify and save harmless Seller from and against any and all damages, losses, claims, liabilities, costs and expenses (including reasonable attorneys fees and disbursements) arising out of or resulting from the material breach of any representation or covenant of the Company under this Agreement.

(b) Notwithstanding any other provision of this Agreement, and in furtherance and not in limitation of the foregoing, the Company agrees to pay to Seller upon demand any and all amounts necessary to indemnify it and save it harmless from and against any and all damages, losses, claims, liabilities or expenses (including reasonable attorneys, fees and disbursements) awarded against or incurred by it arising out of or as a result of:

(i) Seller's reliance on any representation or warranty made by or on behalf of the Company under or in connection with this Agreement, in any report from the Company or in any other information delivered by the Company pursuant hereto or thereto, which shall have been false or incorrect in any material respect when made or deemed made;

(ii) the failure by the Company to comply with any applicable law, rule or regulation with respect to any of the Receivables, or the nonconformity of any of the Receivables with any such applicable law, rule or regulation;

(iii) any failure by the Company timely to deliver to Seller the Collections, books, records, documents or other information which may be required to be delivered pursuant to this Agreement;

(v) any failure by the Company to be duly qualified to do business, and to be in good standing, in every jurisdiction where such qualification was required hereunder for the enforcement of any Receivable against the applicable Customer.

9.3. Potential Liabilities. Each Party hereto will use commercially reasonable efforts to identify situations involving possible liability or obligations under this Article IX (other than Section 9.1(b) and 9.2(b) hereof) and to determine the amount of any such liability or obligations, and, upon having notice of such situations, it will promptly advise the other Party thereof.

9.4. Cooperation in Litigation. Each Party hereto agrees to reasonably assist, at the request of the other Party, in any action, suit or proceeding brought by or against either Party by a third party relating to any of the transactions contemplated by this Agreement, or to the collection of any Receivables. The Party requesting assistance should reimburse the other Party for all extraordinary costs which arise from such request.

X MISCELLANEOUS

10.1. Amendments, Waivers, Etc. No amendment or waiver of any provision of this Agreement, nor consent to any departure by either Party herefrom or therefrom, shall in any event be effective unless the same be in writing and signed by the other Party hereto, then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it is given.

10.2. Notices, Etc. All notices and other communications required or permitted hereunder shall, unless otherwise stated herein, be in writing and mailed or delivered, as to each Party hereto, at such Party's address specified below:

(a) If to Company:

By courier or telecopy:

By Mail:

(b) If to Seller:

Notice Address:

Location of Seller's
Books and Records:

or at such other address as shall be designated by such Party in a written notice to the other Party hereto. All such notices and communications shall be deemed to have been duly given when delivered to the addressees at the appropriate addresses specified above.

10.3. No Waiver, Remedies. No failure on the part of either Party hereto to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies provided herein are cumulative and not exclusive of any remedies provided by law.

10.4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of Company and Seller, and their respective successors and assigns, except that the Seller may not assign its rights or obligations hereunder without the prior written consent of Company, which consent shall not be unreasonably withheld. Company may assign its rights or obligations hereunder in connection with any financing transaction relating to the Receivables without the consent of Seller.

10.5. Costs, Expenses and Taxes. In addition to the rights of indemnification granted to Company under Article IX hereof, Company and Seller shall negotiate and set forth in Exhibit A, the Company's and/or Seller's recovery of all reasonable costs and expenses, if any (including reasonable attorneys fees and expenses), in connection with the negotiation, review, preparation, amendment, enforcement and release of this Agreement and the other documents and instruments to be delivered by it hereunder.

10.6. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by the Parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

10.7. Severability Clause. Any provisions of this Agreement which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

10.8 No Petition; Set-Off. Seller hereby irrevocably and unconditionally waives all right of set-off that it may have under contract (including this Agreement), applicable law or otherwise with respect to any property, funds or monies of Company at any time held by or in the possession of Seller.

10.9. Controlling Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Ohio.

10.10 Except as otherwise specifically modified or supplemented by this Agreement, all terms and conditions, and the obligations and responsibilities of the Parties, as set forth in the EDU/CRES Provider Agreement, shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective officers hereto duly authorized, as of the date first above written.

[SELLER]
("CRES PROVIDER" or "Seller")

By: _____
Name: - _____
Title: _____

(the "Company")

By: _____
Name: _____
Title: _____